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BEFORE THE UTAH INSURANCE COMMISSIONER

UTAH INSURANCE DEPARTMENT,	NOTICE OF INFORMAL ADJUDICATIVE PROCEEDING AND ORDER
Complainant,	
vs.	
GREAT MIDWEST INSURANCE COMPANY,	Docket No. 2020-4227
Respondent.	Lisa Watts Baskin Presiding Officer

NOTICE OF INFORMAL ADJUDICATIVE PROCEEDING

The Utah Insurance Department (“the Department”) commences this informal adjudicative proceeding against Great Midwest Insurance Company (“Respondent”) pursuant to Utah Code §§ 31A-2-201 and 63G-4-201 through -203 and to Utah Admin. Code R590-160.

This informal adjudicative proceeding is based on the facts and law set forth in the attached Declaration and is designated as an informal adjudicative proceeding pursuant to Utah Code § 63G-4-202(1) and Utah Admin Code R590-160-4 and -8.

ORDER

Based on the facts and the law set forth in the attached Declaration, and good cause appearing, the Utah Insurance Commissioner orders as follows:

1. Respondent shall forfeit to the Department the amount of \$750.00.

2. Pursuant to Utah Code § 63G-4-203(1)(i) and Utah Admin. Code R590-160-8(1), this informal adjudicative proceeding shall be deemed closed, and this Order shall become final and take full effect, 15 days after this Notice of Informal Adjudicative Proceeding and Order is emailed to Respondent unless a request for a hearing on this matter is received from Respondent prior to that date.

3. A request for a hearing shall be sent by email to uidadmincases@utah.gov or by U.S. mail to Office of the Administrative Law Judge, Utah Insurance Department, 3110 State Office Building, Salt Lake City, UT 84114. The request for hearing shall be signed by the person making the request and shall state the basis for the relief requested.

4. If you fail to request a hearing you will be bound by this Order. Failure to request a hearing will be deemed a failure to exhaust administrative remedies and will preclude any further administrative or judicial review or appeal of this matter.

DATED this 19th day of June, 2020

TODD E. KISER
Utah Insurance Commissioner



LISA WATTS BASKIN
Presiding Officer
Utah Insurance Department
3110 State Office Building
Salt Lake City, UT 84114
801-538-3860
Email: uidadmincases@utah.gov

NOTICE REGARDING ENFORCEMENT OF THE ORDER

Failure to obey the Order may subject you to further penalties that include forfeitures of up to \$2,500 per violation, license suspension or revocation, further enforcement action before the Utah District Court where forfeitures of up to \$10,000 may be imposed. If you are licensed in other jurisdictions, you may be required to report this proceeding to those jurisdictions.

DECLARATION

Under criminal penalty of Utah law, I, Carrie Backus, declare the following:

1. I am currently employed as a Market Conduct Examiner with the Utah Insurance Department (“Department”) where my responsibilities include investigating and enforcing Utah insurance laws.

2. I submit this Declaration as the basis for issuing the Notice of Informal Adjudicative Proceeding and Order against Great Midwest Insurance Company (“Respondent”) to which this Declaration is attached.

3. Based on my personal knowledge and/or based on the facts appearing in the Department’s records and files, the following facts are true:

- a. Respondent is a property and casualty insurer domiciled in Texas and authorized to do insurance business in Utah. Respondent’s Utah license number is 164352.
- b. Respondent is required to file an annual Small Employer Stop Loss Report on or before April 1, 2020, pursuant to Utah Code § 31A-43-302(2).
- c. While reviewing a rate change filing for Respondent, the Department’s actuary discovered that Respondent had issued a small employer stop-loss plan that was subject to reporting filings but had not filed a Small Employer Stop Loss Report.
- d. The Department’s actuary contacted Respondent on May 20, 2020 regarding the missing report.
- e. Respondent filed its Small Employer Stop Loss Report on May 21, 2020.

4. The above declared facts demonstrate that the following Utah insurance law(s) were not complied with:

a. Respondent violated Utah Code § 31A-43-302(2) by failing to file its annual Small Employer Stop Loss Report on or before April 1, 2020.

5. Based on Utah Code § 31A-2-308 and other similar enforcement cases, the proper forfeiture for the violations should be \$750.00.

DATED this 18 day of June, 2020 at Salt Lake City, Salt Lake County, Utah.



Carrie Backus, Market Conduct Examiner
Utah Insurance Department